R.J. Reynolds Tobacco Co.

Succession Planning

Career Advancement Program

Position Development Program

Funding and Next Steps

June 18, 1998

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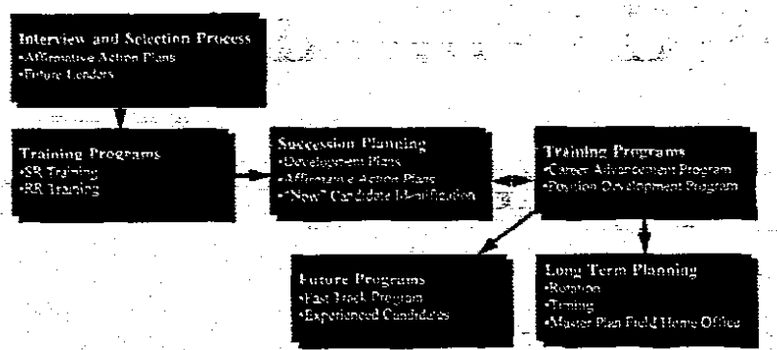
Source: https://www.industrydocuments.ucsf.edu/docs/ppby0000

Employee Development Master Plan



Objectives

- **Establish a consistent Succession Planning Process which recognizes Employee Performance, Company Objectives and the Employees Personal Circumstances for promotion consideration.**
  - Support employees career choices to ensure we place employees in the right position, therefore providing the Company and the employee a 'win-win' situation.

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Source: https://www.industrydocuments.ucsf.edu/docs/ppby0000

Objectives

- **Establish training plans which strengthen the value of training, developing and retaining good employees, while providing an opportunity for career advancement.**
  - Define Knowledge and Skill needed by position and Management Personnel responsible for training.

New Programs

- **Succession Planning**
  Consistent Process of Identifying Succession Candidates
- **Career Advancement Program**
  Training Plan used with Candidates prior to reporting to new position
- **Position Development Program**
  Training Plan used for Employees after reporting to new position

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Source: https://www.industrydocuments.ucsf.edu/docs/ppby0000

Succession Planning

Succession Planning

Succession Planning is the responsibility of the entire Region Management team, with the RSM as the point person.

..... more heads are better than one

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Source: https://www.industrydocuments.ucsf.edu/docs/ppby0000

Succession Planning

- **All Managers are accountable for the development of direct report personnel and should document:**
  - —Career Objectives
  - —Personal Considerations and Limitations
  - —Development Plans, to include:
    - » Personal Dimension Needs
    - » Knowledge and Skill Needs

. . . . know our people

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Succession Planning

- **Once per quarter the RSM and Region Management team meet to review and discuss succession candidates.**
  - —Managers are prepared to submit their individual candidate recommendations and development plans for each, to include:
    - » Short and long term career interests
    - » Strengths as they relate to job responsibilities
    - » Personal dimension training needs
    - » Geographical considerations

Source: https://www.industrydocuments.ucsf.edu/docs/ppby0000

Succession Planning

- **Managers are challenged to become familiar with all succession candidates, prior to the next succession planning period.**
  - —Meetings
  - —Work Withs
  - —Conversations

Succession Planning

- **AVP's and RSM's must gain first hand knowledge of each succession plan candidate. A minimum of 1 day must be spent with each candidate prior to placement on the succession plan, to review and confirm management's assessment of the candidates:**
  - —Career Interests - short and long term
  - —Development Plan
  - —Personal Dimension Needs
  - —Personal/Geographic limitations

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Source: https://www.industrydocuments.ucsf.edu/docs/ppby0000

Succession Planning

- **During the next planning period, previous candidates are discussed, new candidates are offered and the process continues.**
  - Agreement by all Managers is required
  - Documentation is collected for each candidate selected for the succession plan

- **RSM is now prepared to submit candidates to the AVP, with assurance that the right candidate was selected.**

Succession Planning

Benefits

- **Better informed decision in candidate selection**
- **Consistent information gathering process**
- **Decision supported by documentation**
- **Better expression of the candidates career interests**
- **Minimizes bias**
- **Opens Succession Planning Process**
- **National consistency in candidate selection**
- **Actively works toward Affirmative Action Plan**

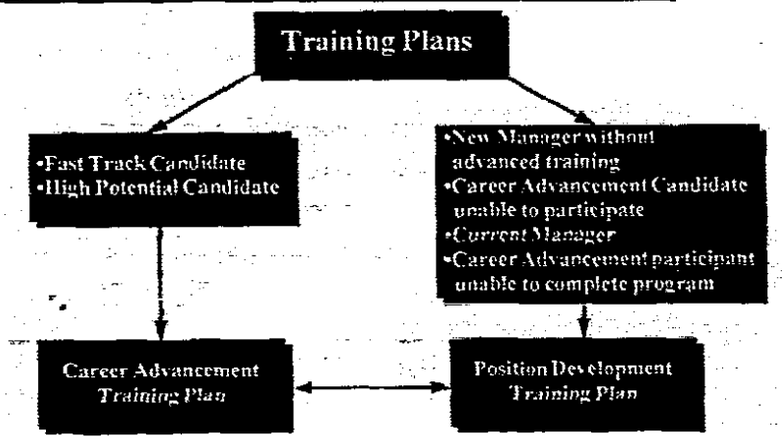
Source: https://www.industrydocuments.ucsf.edu/docs/ppby0000

Training Plans

Career Advancement Training Plans

Position Development Training Plans

Training Plans - Overview



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Source: https://www.industrydocuments.ucsf.edu/docs/ppby0000

Training Plans - Overview

- **Specific By Position**
  - —Knowledge and Skills
  - —Position of Mentors
  - —Timing
  - —Personal Dimension Needs
- **Field Tested**
  - —68 field personnel across all Sales Areas
  - —Unanimous confirmation of need
  - —Input incorporated into Training Plans
- **Applicable to both Programs**

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Career Advancement Program

Source: https://www.industrydocuments.ucsf.edu/docs/ppby0000

Career Advancement Program

Overview

- **The Career Advancement Program is designed to prepare and train individuals *prior* to accepting a new management position.**
  - Candidate is removed from current position in order to devote full attention to the training plan
  - Previous position is filled with a qualified candidate
  - Training plan requires a 6 Month commitment
  - Personal ownership of development plan is critical
  - Extensive travel required to train with Mentors
  - Upon successful completion, candidate is offered the next available position

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Career Advancement Program

Potential Risks and Hardships

- Participation may not be possible for all candidates, due to personal circumstances
- Other employees may feel threatened if they are not in the program, as next promotion is clear
- A job opening for new position may not coincide with completion of the program
- Family commitment needed, due to periods of absence from home
- Significant travel is required
- If Candidate fails: Assign to position of most competence

Source: https://www.industrydocuments.ucsf.edu/docs/ppby0000

Career Advancement Program

Solution to Potential Risks and Hardships

- **Accommodations must be made for the candidate**
  - —Personal Considerations to fit unique needs
  - —Allowances for family commitments
- **Candidate and Mentors must be well informed**
  - —Dialog between all participants must be open and honest
- **Communication defining the entire program is necessary throughout the entire organization.**
  - —Open and Honest dialog with all levels

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Career Advancement Program

Program Elements

- Selection of the Candidate
- Development Plan Preparation
- Conversations With the Candidate
- Selection of the Mentor
- Conversations With the Mentor
- Handoff Meetings
- New Position Handoff Meeting

The role of the RSM throughout each element of the Career Advancement Program is active and hands-on.

Source: https://www.industrydocuments.ucsf.edu/docs/ppby0000

Career Advancement Program

Selection of the Candidate

- **Utilizing the Succession Planning process the candidate is selected for participation in the Career Advancement Program based on:**
  - —Candidate's current manager's assessment
  - —RSM's assessment
  - —Regional management team's agreement
  - —AVP approval

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Career Advancement Program

Development Plan Preparation

- **Training Plans are used as a guide by the RSM and the candidate's current manager. Each Development Plan should be tailored to the employee:**
  - — Customize based on background experience
  - — Prioritize knowledge and skill areas needed
  - — *Identify candidates personal dimension needs*
  - — Establish appropriate time frames for completion
- **RSM must incorporate into the Development Plan meaningful time with the candidate to include:**
  - — Work Withs
  - — Consultation / Evaluation Meetings

Source: https://www.industrydocuments.ucsf.edu/docs/ppby0000

Career Advancement Program

Conversations with the Candidate

- **Once the Candidate has been selected, the RSM must review in depth with the employee:**
  - Program details and benefits
  - Program ramifications
  - Expectations of the Candidate
    - » Personal commitment/ownership of Development Plan is needed
  - Uncover any accommodations the Candidate may need
  - Candidates identified Personal Dimension needs
  - Timing issues
  - Develop personalized training plan

Career Advancement Program

Selection of the Mentors

- **Once the candidate accepts, the AVP and RSM must select the most qualified Mentors, as outlined in the training plan.**
  - Mentors should be leaders in their marketplace and possess key personal attributes
    - » Excellent business knowledge
    - » Coaching skills
    - » Leadership ability
- **RSM and Mentors become a team focused on the successful preparation of the candidate.**

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Source: https://www.industrydocuments.ucsf.edu/docs/ppby0000

Career Advancement Program

Conversations with the Mentors

- **RSM must meet with the Mentors to thoroughly review:**
  - Program details and benefits
  - Mentors role and expectations
  - Day to day interaction required
  - Candidates personal considerations
  - Candidates identified personal dimension training needs
  - Candidates ownership of the Development Plan
  - Timing

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Career Advancement Program

The Handoff Meeting

- **A Handoff Meeting is conducted by the RSM when responsibility shifts from one mentor to the next.**
  - Attendees include:
    - » Candidate
    - » Current Mentor
    - » Future Mentor
    - » RSM 'Sponsoring Manager'
    - » AVP as available
  - Content :
    - » Review and assess the previous portion of the program
    - » Hand off Candidate's Development Plan to the new Mentor
    - » Review plan for the next portion of the program

Source: https://www.industrydocuments.ucsf.edu/docs/ppby0000

Career Advancement Program

New Position Handoff Meeting

- **The New Position Handoff Meeting is conducted by the RSM Sponsoring Manager, after the candidate has accepted the new position but prior to reporting to the new position.**
  - —Attendees include:
    - » RSM Sponsoring Manager
    - » Candidate's New RSM
    - » Candidate's New Direct Manager (if different from RSM)
    - » Candidate

Career Advancement Program

New Position Handoff Meeting (continued)

Sponsoring Manager Responsibilities:

- —Review and assess original training plans and accomplishments to date against the plan
- —Review and assess specific personal dimension needs and progress to date against the plan
- —Handoff a comprehensive status report to the candidates new Manager, that includes:
  - » Knowledge and Skill areas; to include any not completed
  - » Personal Dimension areas; to include any not completed
- —Encourage continued contact with the Mentors as a resource

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Source: https://www.industrydocuments.ucsf.edu/docs/ppby0000

Career Advancement Program

New Position Handoff Meeting (continued)

- **Responsibilities of the candidates new RSM and new direct Manager:**
  - Commitment to follow through on coaching any identified areas of development that require additional attention
  - Review key business drivers within new marketplace
    - » Major customers
    - » Personnel Issues
    - » Business mix/demographics
    - » Pending programs
  - Introduce candidate to his/her new team (if applicable)

Career Advancement Program

New Position Handoff Meeting (continued)

- **Responsibilities of the Candidate:**
  - Complete self assessment of the training plan
  - Review and identify status of identified personal dimension needs and progress against the plan
  - Commitment to follow through on any identified areas of development that require additional attention

Source: https://www.industrydocuments.ucsf.edu/docs/ppby0000

Career Advancement Program

Benefits

- Employees fully trained prior to assuming new position
- Full attention dedicated against training for new position
- Employee is confident and capable - day one
- Unproductive time minimized in new job transition
- Specific training plans for each position
- Candidates personal ownership of their career development plan
- Specific Mentors identified for each knowledge and skill criteria
- Program completion defined within established time frames
- Training conducted by the most qualified coaches and leaders

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Career Advancement Program

Test Results

- **RM Anthony Ahiabuike** - "My peers all wish they could have had the same opportunity" "I'll hit the ground running"
- **ARSM/RSM Mike Buckler** - "Could not imagine tackling the RSM position without the Career Advancement program"
- **ARSM Floyd Cook** - "I'll be a better prepared RSM, as a result of this program"
- **RSM Scott Steen** - "I wish I could have had gone through this program"

Source: https://www.industrydocuments.ucsf.edu/docs/ppby0000

Position Development Program

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Position Development Program

Overview

- **The Position Development Program is designed to be used with new employees who are promoted into a management position without advance training.**
- **Training Plans are specific to positions**
  - Knowledge and Skills needed
  - Job position of Mentor
  - Established time required for training
  - Employees Personal Dimension needs
- **Multi Purpose Application**
  - New Managers
  - Current Managers

Source: https://www.industrydocuments.ucsf.edu/docs/ppby0000

Position Development Program

Management's Responsibility:

- **Employee's Manager is the Sponsoring Manager**
- **Sponsoring Manager, RSM and AVP are responsible for:**
  - Evaluating personal dimension needs of the employee
  - Assist employee in preparing Development Plan
  - Assist RSM in selection of the mentors
  - Communicate personal dimension needs to the selected mentors
  - Managing and monitoring the process

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Position Development Program

Program Elements

- Development Plan Preparation
- Selection of the Mentors

Source: https://www.industrydocuments.ucsf.edu/docs/ppby0000

Position Development Program

Development Plan Preparation

- **Training Plans are used as a guide by the Sponsoring Manager and Employee. Each Development Plan should be tailored to the employee:**
  - Customize based on background experience
  - Prioritize knowledge and skill areas needed
  - Identify employees personal dimension needs
  - Establish appropriate time frames for completion
- **Sponsoring Manager must schedule into the Development Plan meaningful time with the candidate to include:**
  - Work Withs
  - Consultation / Evaluation Meetings

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Position Development Program

Selection of the Mentors

- **RSM and AVP must select the most qualified Mentors, as outlined on the training plans.**
  - Mentors should be leaders in their marketplace and possess key personal attributes
    - » Excellent business knowledge
    - » Coaching skills
    - » Leadership ability
- **RSM, Sponsoring Manager and Mentors become a team focused on the successful preparation of the employee.**

Source: https://www.industrydocuments.ucsf.edu/docs/ppby0000

Position Development Program

Benefits

- **Training Plan accommodates all employee's regardless of personal circumstances**
- **Specific training plans for each position**
- **Specific Mentors identified for each knowledge and skill criteria**
- **Program completion defined within established time frames**
- **Training conducted by the most qualified coaches and leaders**

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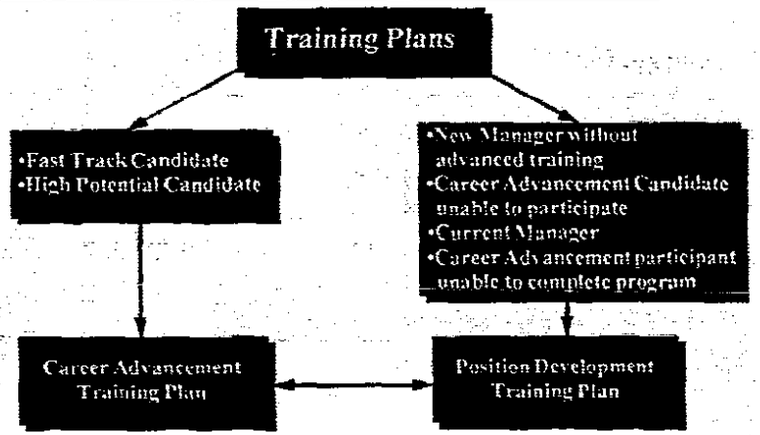
Training Plans

Source: https://www.industrydocuments.ucsf.edu/docs/ppby0000

Training Plans - Overview



Training Plans - Overview

Requirements For Success:

- **The Candidate must accept responsibility for his/her own Development Plan**
- **The Mentors responsible for conducting the training must fully understand the significance of mentoring the Candidate**
- **The Sponsoring Manager responsible for the individual being trained must be involved in the process**

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Source: https://www.industrydocuments.ucsf.edu/docs/ppby0000

Career Advancement Training Plan - Anthony Ahiabuike

Knowledge / Skill Needs	Mentor	Timing	Results
• **Introduction:**	RSM		
- Job Description and Role Definition			
- Job Responsibilities/Accountabilities			
- Performance Standards			
- Expectations			
• **Personnel Management and Development**	DM		
- Sales Rep Training			
- Sales Rep Training Manual			
- Skill To Needs (CBT)			
- Accounts Management			
- Performance Management			
- Managing For Motivation			
- Effective PPR Writing			
- Conducting W/W's, T/A's and A/A's			
- Interview and Selection Process			
- Hire, Train, Coach New Sales Rep.			
- Local Performance Awards			
- Evaluation Process			
- Effective Development Plans			
- Disciplinary Process			
- Succession Planning			
- Salary Budget Process			
- Establishing Achievable Goals for Rep's and SR's			
- Personnel Policies and Procedures			
- SIAP			
• **Account Management and Development**	DM		
- Account Management Appliances			
- Work Request Function			
- Account Review Processes			

Career Advancement Training Plan - Anthony Ahiabuike

Knowledge / Skill Needs	Mentor	Timing	Results
• **Account Management and Development**	KAM		
- Category Advice Process			
- Apply the Concepts and Skills for			
- Direct Account (Partners)			
- Chain Account (Partners)			
- Developing Account Relations			
- Negotiation Account Procedures			
- Chain Development Plans			
- Player Ranking Considerations			
- Short and Long Term Goal Setting			
- Presentation Skills			
- Objective			
- Resources Pool			
- Needs To Achieve Objective			
- Needs To Achieve Results			
Multiple Utilities			
- Address Identification			
- System - Analysis			
- ABS			
- SIS Report Maintenance			
- Product Availability			
- Non-Compliance Report			
- Direct Account Program Maintenance			
- Memory			
- V-Trend			
- SCI Management			
- Public Tracking			
- Account Reports			
- CAPS			
- RIR Tool Kit			
- Space Management			
- RPA and WPA			

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Source: https://www.industrydocuments.ucsf.edu/docs/ppby0000

Career Advancement Training Plan - Anthony Ahiabuike

Knowledge / Skill Needs	Mentor	Timing	Results
• Business Management and Development	DM - Application RBM - Analysis		

- Business Analysis
  - Knowledge of a Market
  - "Players" in the Market
    - Retail
    - Direct Accounts
  - Pricing Strategies
  - Competitive Issues
  - The Issues of Marketing
  - The Five Step Action Planning Process
  - Thorough Knowledge of the Business Drivers
    - CIV Distribution (Availability)
    - Dominant CIV
    - Present CIV Display
    - Significance of Matching Competitive [illegible]
    - Breadth and Depth of promotion
  - RJR and Competitive Contracts
    - Program Knowledge
- Understanding the Importance of the 3 P's
  - Selling Marketplace Execution
  - Analysis of Results
- Effective Business Plan Development
- Chain Division Review Process
  - Developing Effective Account Business Plans
  - Monitoring Results and Adjustments
  - Business Driver Analysis
- Time Management

Career Advancement Training Plan - Anthony Ahiabuike

Knowledge / Skill Needs	Mentor	Timing	Results
• Managing Administration and Technical Skill Development: Managing Administration	[illegible]		
• Technical Skill Development [illegible]	[illegible]		

[illegible]

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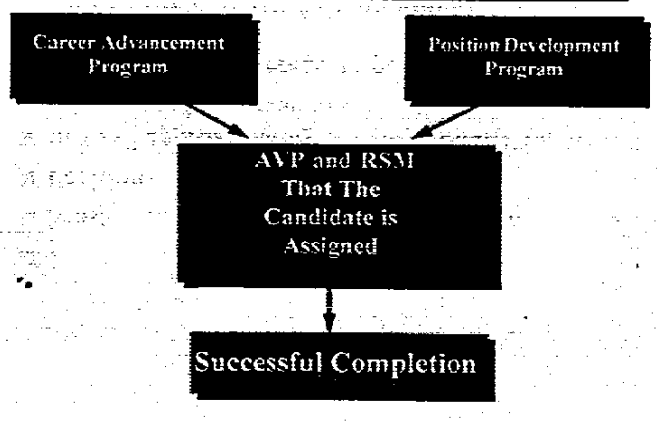
Career Advancement Training Plan - Anthony Ahiabuike

Personal Dimension Needs	Measure	Action Plan	Results
• Communications, Relationships, Leadership and Interpersonal Knowledge and Skills - Follow-Through and Reliability - Organizing Time Management - Planning - Oral Communication - Presentation Skills - Written Communication - Listening - Leadership, Style and Influence - Leading By Example - Coaching and Motivating - Conflict Management - Decision Making	All Measures		
• Attributes and Interpersonal Skills - Personal Motivation - Personal Adaptability - Interpersonal Skills - Openness to Change - Bias Toward Action - Committed to Continuous Improvement - Solving Problems			

Accountability



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Source: https://www.industrydocuments.ucsf.edu/docs/ppby0000

Funding and Next Steps

Funding

Proposed Funding

- 1997 vacancies averaged 43 per month
- Most vacancies at Retail Rep/Administrative positions
- Positions budgeted at $23,000 annually
- In 1997 approximately $989,000 budgeted, but not spent, based on vacancies
- 1998 vacancies average 45 per month

Funding for Career Advancement Candidates

- 8 Trainees for 1998 - cost $492,260

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Source: https://www.industrydocuments.ucsf.edu/docs/ppby0000

Career Advancement Program - Next Steps

July 6 - July 10	RSMs prepare: · Succession plan candidates against all positions with candidate restrictions · Personal Dimensions development plans for each candidate
July 13 - July 17	AVPs hold meetings with RSMs · Present and thoroughly discuss Career Advancement Plan · Discuss and prioritize candidates against Career Advancement Plan objectives. · Discuss and identify potential mentors for each candidate

Career Advancement Program - Next Steps (cont.)

July 20	JVM, WFT, hold meeting with AVPs · Review Sales Area Succession Plan candidates · Review Personal Dimension development plans of candidates · Select candidates for Career Advancement Plan against plan objectives · 2- KAM · 2- DM · 1- RBM · 2- RM · 1- AM · Select mentors for each candidate based off region recommendations · Select candidates for back-fill positions
July 21 - July 31	RSMs meet with candidates · Present and thoroughly discuss Career Advancement Plan · Conduct up-front Conversation With Candidate
August 3	Candidates report to first mentor

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Source: https://www.industrydocuments.ucsf.edu/docs/ppby0000

Succession Planning Process - Next Steps

July 13 - July 17	AVPs hold meetings with RSMs · Present and thoroughly discuss Succession Planning Program
July 20 - July 31	RSM holds meeting with direct reports · Present and thoroughly discuss Succession Planning Program · Identify and /or confirm candidates for succession plan · Develop action plan for management team to meet with identified candidates
Aug. 3 - Sep. 25	Region management team gets with the candidate · Managers get to know candidates (W/W. Meetings, etc.) · Managers identify and document candidate development needs
October	RSM and direct reports reconvene · Group discuss previous candidate submissions · Any new candidates are submitted

Program Repeated Quarterly

Position Development Program - Next Steps

July 13 - July 17	AVPs hold meetings with RSMs · Present and thoroughly discuss Position Development Program · Set expectation for program implementation on all newly promoted employees
September	RSMs identify existing managers for program participation · Identify all managers promoted since October 1, 1997 · Create development plan for identified managers · Develop action plan for implementation of Position Development Program
October	RSMs implement Position Development Program with existing managers · Discuss and review Position Development Program · Discuss and review development plan

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Source: https://www.industrydocuments.ucsf.edu/docs/ppby0000